

[REPUBLIC ACT NO. 8960, September 07, 2000]

AN ACT FURTHER EXTENDING THE TERM OF THE FRANCHISE GRANTED TO DAVAO LIGHT AND POWER COMPANY, INC. TO CONSTRUCT, OPERATE AND MAINTAIN AN ELECTRIC LIGHT, HEAT AND POWER SYSTEM IN DAVAO CITY AND THE MUNICIPALITIES OF CARMEN, PANABO, DUJALI, AND SANTO TOMAS, PROVINCE OF DAVAO DEL NORTE, FOR A PERIOD OF TWENTY-FIVE (25) YEARS AND FOR OTHER PURPOSES

Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:

SECTION 1. *Nature and Scope of Franchise.* - The term and franchise granted to Davao Light and Power Company under Act Numbered Thirty-seven hundred and sixty, as extended by the National Electrification Commission in its Resolution No. 134, and the existing franchise as granted by the National Electrification Commission pursuant to its Resolution No. 135 and Decision in Case No. 77-18, is hereby further extended, under the same terms and conditions therein provided and subject to the provisions of the Constitution and Act Numbered Thirty-six hundred and thirty-six, as amended by Commonwealth Act Numbered One hundred and thirty-two, for a period of twenty-five (25) years from the date of effectivity of this Act: *Provided*, That all rights, privileges, benefits and exemptions accorded to existing and future private electric utilities in the country by their respective franchises shall likewise be extended to the grantee.

SEC. 2. *Rates for Services.* - The rates for the sale of electricity, heat and power by the grantee to its consumers shall be subject to the regulations of the Energy Regulatory Board.

SEC. 3. *Right of Government.* - In the event that the government should desire to operate and maintain for itself the system and enterprise herein authorized, the grantee shall surrender its franchise and shall turn over to the government all its equipment at fair market value.

SEC. 4. *Tax Provisions.* - The grantee, its successors or assigns, shall be subject to the payment of all taxes, duties, fees or charges and other impositions applicable to private electric utilities under the National Internal Revenue Code of 1997, as amended, and other applicable laws: *Provided*, That nothing herein shall be construed as repealing any specific tax exemptions, incentives, or privileges granted under any relevant law: *Provided, further*, That all rights, privileges, benefits and exemptions accorded to existing and future private electric utilities by their respective franchises shall likewise be extended to the grantee.

The grantee shall file the return with the city or province where its facility is located and pay the taxes due thereon to the Commissioner of Internal Revenue or his duly